

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

IN RE:

**S K TRANSPORT INC.
Debtor,**

**) Case No. 2:17-bk-20298
) Chapter 11**

**) Judge:
) Hon. Frank W. Volk**

**MOTION TO APPROVE FACTORING AGREEMENT
WITH WEX FLEET ONE FACTORING**

The debtor, SK Transport, Inc., by counsel, Joseph W. Caldwell, hereby states for its motion as follows:

1. This motion seeks Court approval for the Debtor to enter into a factoring agreement with WEX Fleet One Factoring to allow the Debtor to transfer and assign to WEX Fleet One Factoring all or a portion of the Debtor's accounts receivable from trucking shipments and to grant as security to WEX Fleet One Factoring a lien on such accounts receivable, all pursuant to 11 U.S.C. §§ 363 and 364

Background

2. On May 30, 2017, the Debtor filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of West Virginia.

3. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this case and this motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157.

4. The Debtor manages its property and operates its business as a debtor in possession pursuant to 11 U.S.C. §§ 1107 and 1108.

Debtor's Operation and Proposed Agreement

5. The principal operations of the Debtor consist of hauling goods, including hazardous chemicals, from chemical plants in Kanawha County, West Virginia, interstate.

6. Post-petition financing will allow the Debtor to meet its current obligations, including payroll, payroll taxes, fuel, tires and insurance payments. The Debtor and WEX Fleet One Factoring were parties to a pre-petition Financing Agreement which is to be modified by the Addendum attached hereto as Exhibit 1 . WEX Fleet One Factoring shall advance the Debtor to 90% of funds due from Dow Chemical and Convestro, LLC up front and WEX FleetOne is to hold 10% back and upon receipt of funds from Dow and Convestro will give Debtor an additional 7% and retain 3% for their services

7. At the time of the filing of this case, the Debtor was not obligated to either the Internal Revenue Service or the West Virginia State Tax Department, and no other creditor holds a lien on post-petition receivables.

8. By entering into a Factoring Agreement with WEX Fleet One Factoring, the Debtor can make immediate use of funds and accelerate its cash flow.

9. The Debtor believes that the terms of the Factoring Agreement are commercially fair and reasonable and the Debtor is unable to obtain unsecured credit.

10. The relief requested by this motion is warranted and appropriate under the circumstances. The Debtor submits that authorization of the Factoring Agreement will

ensure that the Debtor can continue necessary operations and will not prejudice the legitimate interest of creditors and other parties in interest.

11. The Debtor will be in a position to timely make all payments due under the Factoring Agreement.

WHEREFORE, the Debtor respectfully requests that this Court enter an order authorizing it to enter into the Factoring Agreement with WEX Fleet One Factoring and that the Debtor be authorized and directed to take all actions necessary or appropriate to implement the Agreement, and for such other and further relief as deemed just and proper.

SK TRANSPORT, INC.

By Counsel

/s/ Joseph W. Caldwell

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CERTIFICATE OF SERVICE

The undersigned attorney hereby certifies that the attached **MOTION TO APPROVE FACTORING AGREEMENT WITH WEX FLEET ONE FACTORING** was served electronically upon the following: ustpregion04.ct.ecf@usdoj.gov - Office of the U.S. Trustee, and upon the following as set forth below by depositing a true copy(s) thereof in the United States mail, postage prepaid, on this 24th day of July, 2017.

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